

STATE OF DELAWARE
DEPARTMENT OF FINANCE
DIVISION OF REVENUE
601 DELAWARE AVENUE
WILMINGTON, DELAWARE 19899

TAX NEWSGRAM 72-12

January 17, 1972

CORPORATION INCOME TAX

- Imposes a surtax of 20% of the corporation income tax due for the period August 1, 1971 through June 30, 1973. Recinds the provisions for filing consolidated state returns.


House Bill 511, as amended by House Amendment No. 1, Special Session, 126th General Assembly as approved by the Governor on July 30, 1971 revised Section 1902 (a) and deleted Section 1906 of Title 30 Delaware Code.

The bill adds to a corporation's tax liability 20% of the tax only on income earned after July 31, 1971 and before June 30, 1973. The surtax is temporary and covers only the above period.

The Director of Revenue may authorize proration of the surtax on the basis of calendar months from August 1, 1971 to the end of a corporation's taxable year, or other alternative methods of proration but only if the alternative method produces an accurate and equitable result. Corporations are urged to contact the Division of Revenue where there is any doubt as to the acceptable method of applying the surtax.

Effective with returns due on or after August 1, 1971, corporations will not be permitted to file Delaware consolidated returns.

Under the law in effect prior to August 1, 1971 Corporations which filed Federal consolidated returns had the option of filing Delaware consolidated returns. Effective with returns due on or after August 1, 1971 this option has been recinded.


J. H. Kennedy
Director of Revenue

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